

USDA/Rural Development

Bismarck, North Dakota

FOR IMMEDIATE RELEASE

Jane F. Grant (800) 582-7584
Public Information Coordinator
jane.grant@nd.usda.gov

VENEMAN ANNOUNCES \$75 MILLION IN GRANTS TO SPUR ECONOMIC GROWTH AND INVESTMENT IN U.S. RURAL COMMUNITIES

WASHINGTON, October 22, 2002—Agriculture Secretary Ann M. Veneman today announced more than \$75 million for economic development, energy and infrastructure projects to help spur investment and create new jobs in rural communities throughout the United States.

"These grants will bring new economic opportunities and job creation for rural America," said Veneman. "The Bush administration continues to increase investment in health care, education, value-added processing and rural infrastructure which is provided renewed growth to these important sectors of our economy."

The **Rural Business-Cooperative Service Value-Added Agricultural Product Market Development** grants announced today support two of President Bush's pillar initiatives: economic growth and energy. These 231 grants in 43 states total over \$37 million and will fund a variety of agricultural ventures such as renewable energy, agri-marketing, high-value products from major crops and commodities. These 35 projects total more than \$7.2 million and will foster development of alternative energy sources. Recipients are required to obtain matching funds which will double the impact of the USDA grants. Funding of individual recipients is contingent upon meeting the conditions of the grant agreement. For information on applying for 2003 value-added grants visit: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>.

"We are sixth in the country in total funding, and ninth in total projects approved," said State Director for Rural Development Clare Carlson. "It is a further indication of North Dakota's success in the Value Added movement. North Dakota received grant dollars for six projects totaling \$1,789,800."

The following is a list of projects:

Project Name	City	Grant Amount
Heartland Durum Growers, Cooperative	Crosby, N.D.	\$500,000
Purpose: For salaries, employee benefits and utilities for the value-added durum processing facility. A cooperative of 227 durum producers will produce approximately 35 million pounds of pasta per year and is capable of making long goods such as spaghetti, linguine, fettuccine, angel hair and lasagna, and short goods such as elbow macaroni, mostaccioli, rigatoni, rotini, ziti, and egg noodles.		
Heart of the Valley LLC	Mayville N.D.	\$150,000
Purpose: For working capital purposes to add value to edible beans by producing pre-cooked dehydrated edible bean powders. The end product will be used in food manufacturing and home use.		
Dakota Renewable Fuels LLC	Fargo N.D.	\$167,500
Purpose: To complete a business development plan of a 30 million-gallon dry mill ethanol plant and future equity drive efforts in North Dakota.		
Iso Straw Cooperative Inc.	Finley N.D.	\$378,040
Purpose: To determine economic feasibility of producing a medium-density fiberboard from straw and well it as a sanded raw board.		
Dakota Pride Cooperative	Jamestown N.D.	\$94,260
Purpose: To conduct market research, develop a business and marketing plan, membership drive, legal/accounting fees and other expenses for value-added, identity preserved food products.		
Fessenden Cooperative Association	Fessenden N.D.	\$500,000
Purpose: For working capital to purchase inventory and pay other direct and marketing costs for a producer-grown birdseed.		

USDA serves as the lead federal entity for rural development needs and administers program assistance through three agencies: Rural Housing Service, Rural Business-Cooperative Service and Rural Utilities Service.

Further information on USDA Rural Development and these announcements can be obtained by contacting any USDA Service Center or by visiting USDA's web site at <http://www.usda.gov>.



USDA Rural Development is an Equal Opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to: USDA director, Office of Civil Rights, Washington, D.C. 20250-9410